

## **Assembly Bill No. 983**

### **CHAPTER 225**

An act to amend Section 33334.22 of the Health and Safety Code, relating to housing.

[Approved by Governor September 6, 2005. Filed with  
Secretary of State September 6, 2005.]

#### **LEGISLATIVE COUNSEL'S DIGEST**

AB 983, Laird. Housing: downpayment assistance.

Existing law governing housing and home finance generally defines the term "affordable housing cost," with respect to very low, lower, and moderate-income households receiving assistance on or after January 1, 1991. Pursuant to that definition, housing costs may not exceed the product of a specified percentage times a specified percent of the area median income. This definition is used for determining, among other things, the affordability of housing made available pursuant to a requirement that a redevelopment agency allocate 20% of tax-increment revenues for housing available at affordable housing cost.

Existing law, until January 1, 2006, authorizes any redevelopment agency in Santa Cruz County to make assistance available from its low- and moderate-income housing fund directly to a home buyer and separately defines affordable housing cost for these purposes. Existing law imposes specified reporting requirements on those redevelopment agencies.

This bill would extend the repeal date of these provisions for redevelopment agencies within Santa Cruz County to January 1, 2008, and would make related changes in the reporting requirements. The bill would make the provisions that separately define affordable housing costs in Santa Cruz County for purposes of making assistance available from the low- and moderate-income housing fund directly to a home buyer also applicable to the Contra Costa County Redevelopment Agency and the Monterey County Redevelopment Agency for those purposes. The bill would require the Controller to furnish to the Legislature and the Director of Housing and Community Development the additional information these redevelopment agencies are required to include in their annual reports.

*The people of the State of California do enact as follows:*

SECTION 1. Section 33334.22 of the Health and Safety Code is amended to read:

33334.22. (a) The Legislature finds and declares that in order to avoid serious economic hardships and accompanying blight, it is necessary to

enact this section for the purpose of providing housing assistance to very low, lower, and moderate-income households. This section applies to any redevelopment agency located within Santa Cruz County, the Contra Costa County Redevelopment Agency, and the Monterey County Redevelopment Agency.

(b) Notwithstanding Section 50052.5, any redevelopment agency to which this section applies may make assistance available from its low- and moderate-income housing fund directly to a home buyer for the purchase of an owner-occupied home, and for purposes of that assistance and this section, “affordable housing cost” shall not exceed the following:

(1) For very low income households, the product of 40 percent times 50 percent of the area median income adjusted for family size appropriate for the unit.

(2) For lower income households whose gross incomes exceed the maximum income for very low income households and do not exceed 70 percent of the area median income adjusted for family size, the product of 40 percent times 70 percent of the area median income adjusted for family size appropriate for the unit. In addition, for any lower income household that has a gross income that equals or exceeds 70 percent of the area median income adjusted for family size, it shall be optional for any state or local funding agency to require that the affordable housing cost not exceed 40 percent of the gross income of the household.

(3) For moderate income households, affordable housing cost shall not exceed the product of 40 percent times 110 percent of the area median income adjusted for family size appropriate for the unit. In addition, for any moderate-income household that has a gross income that exceeds 110 percent of the area median income adjusted for family size, it shall be optional for any state or local funding agency to require that affordable housing cost not exceed 40 percent of the gross income of the household.

(c) Any agency that provides assistance pursuant to this section shall include in the annual report to the Controller, pursuant to Sections 33080 and 33080.1, all of the following information:

(1) The sales prices of homes purchased with assistance from the agency’s Low and Moderate Income Housing Fund for each year from 2000 to 2007, inclusive, for agencies in Santa Cruz County and for 2006 and 2007 for the Contra Costa County Redevelopment Agency and the Monterey County Redevelopment Agency.

(2) The sales prices of homes purchased and rehabilitated with assistance from the agency’s Low and Moderate Income Housing Fund for each year from 2000 to 2007, inclusive, for agencies in Santa Cruz County and for 2006 and 2007 for the Contra Costa County Redevelopment Agency and the Monterey County Redevelopment Agency.

(3) The incomes, and percentage of income paid for housing costs, of all households that purchased, and that purchased and rehabilitated, homes with assistance from the agency’s Low and Moderate Income Housing Fund for each year from 2000 to 2007, inclusive, for agencies in Santa Cruz County and for 2006 and 2007 for the Contra Costa County

Redevelopment Agency and the Monterey County Redevelopment Agency.

(d) Except as provided in subdivision (b), all provisions of Section 50052.5, including any definitions, requirements, standards, and regulations adopted to implement those provisions, shall apply to this section.

(e) By April 1, 2007, the Controller shall furnish a compilation of the information described in subdivision (c) to the Legislature and the director.

(f) This section shall remain in effect only until January 1, 2008, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2008, deletes or extends that date.